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BC Stats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 07-40 October 5, 2007

- **Unemployment rate rises to 4.3% in September as job growth stalls**
- **Value of building permits stable in August**
- **More British Columbians getting flu vaccines**

Labour Force

- **British Columbia's unemployment rate increased 0.3 percentage points in September, rising to 4.3% *(seasonally adjusted)*.** The increase in the jobless rate came about because employment was unchanged in September, so there were not enough jobs available to absorb an expanding labour force (+0.4%).

  Employment in the goods sector jumped 2.5%, while the number of jobs in service industries contracted (-0.6%). The job growth in the goods sector was concentrated in the two largest industries. Manufacturing (+4.1%) recovered from a downturn in the summer months, while the construction industry (+1.7%) took on more workers for a second straight month. There were more jobs in agriculture (+10.2%), but forestry, fishing & mining (-4.1%) and utilities (-7.0%) trimmed down their workforce.

  Six of the eleven industries in the service sector shed jobs, with accommodation & food (-5.5%) and finance, insurance & real estate (-3.6%) posting the biggest declines. However, there were significant job gains in the public sector, as education (+10.9%), public administration (+3.2%) and health care (+0.5%) took on more workers.

  Overall, public sector employment rose 2.2%, while the number of private sector jobs edged up 0.3%. Self-employment dropped sharply (-2.9%), declining for the sixth time since the beginning of the year.

  Full-time employment increased slightly (+0.2%) in September, rising for a third straight month, but the number of people with part-time jobs dropped (-0.6%). The youth (aged 15 to 24) unemployment rate jumped in September, rising to 8.1%. However, the unemployment rate among those aged 25 and over remained relatively stable, at 3.6%.

  Data Source: Statistics Canada

- **Northeast (1.6%[1], *3-month moving average*) continued to have the lowest unemployment rate in the province, and job markets in Thompson/Okanagan (4.1%), Mainland/Southwest (4.2%) and Vancouver Island/Coast (4.3%) were also quite robust.** North Coast/Nechako, where the unemployment rate was 7.0%, was the lone outlier. Employment in the region has been declining in tandem with the labour force. Cariboo has also seen a downward trend in both the labour force and the number of jobs, although the situation improved in September.

  Among the province's cities, unemployment rates ranged from very low levels in Dawson Creek (1.7%) and Chilliwack (2.6%), to 6.6% in Nanaimo. Vancouver's unemployment rate remained steady at 4.2%; in Victoria, the rate increased slightly to 4.3%.

  Data Source: Statistics Canada & BC Stats

- **The Canadian unemployment rate dropped to 5.9% in September, its lowest level in 33 years.** While unemployment rates have been declining in most parts of the country, the jobless rate in Ontario (6.2%) was not unusually low, while Quebec's unemployment rate (6.9%) was only marginally less than it has been in the recent past. The real impetus for the falling unemployment rate appears to be coming from

[1] *Rates for Northeast, as well as some cities, are BC Stats estimates, calculated using data supplied by Statistics Canada. The very low unemployment rate in Northeast should be interpreted cautiously because it is based on a relatively small sample.*

Report Labour Market Characteristics of Immigrants

Did you know...

BC turkey farmers produce about 1.9 million turkeys per year. That's nearly half a turkey per person–more than enough for all those Thanksgiving dinners. Have a happy holiday!

the west (and to a lesser extent, Newfoundland), where unemployment rates are very low by historic standards. In September, Alberta (3.6%), Saskatchewan (3.8%), Manitoba (4.2%) and BC (4.3%) all recorded unemployment rates that were well below those seen in the rest of the country. *Data Source: Statistics Canada*

The Economy

- **The value of building permits issued by municipalities in BC was relatively stable (+0.3%, *seasonally adjusted*) in August as a reduction in planned spending on residential projects (-6.9%) offset an increase (+19.6%) in the value of permits issued for non-residential developments.** Planned spending on non-residential projects had plunged (-44.1%) in the previous month, and the strong growth in August reflected a recovery from this downturn. Permits for industrial (+35.4%), institutional (+29.5%) and commercial (+12.9%) projects were all up significantly.

  In Kelowna, the value of building permits surged ahead 85.3% in August, while Abbotsford (-31.1%), Vancouver (-11.3%) and Victoria (-6.1%) all posted decreases. The drop in Vancouver may be related to an ongoing strike by civic workers in that city.

  Nationally, the value of building permits rose 1.4% in August with a strong performance from the non-residential sector (+4.3%). The value of residential permits remained virtually unchanged at $3.9 billion. *Data Source: Statistics Canada*

Room Revenues

- **Room revenues in British Columbia increased 1.4% (*seasonally adjusted*) in June.** North Coast (+9.9%), Northeast (+4.4%), Kootenay (+3.9%) and Thompson-Okanagan (+3.6%) all recorded gains, and revenues in Mainland/Southwest were up 1.2%. However, both Cariboo (-3.5%) and Nechako (-21.5%) were down significantly from record-high levels in the previous month. Revenues in Vancouver Island/Coast (-0.2%) were virtually unchanged from May.

  Revenue at vacation rentals and miscellaneous accommodations increased 3.2%, while receipts at the province's hotels slipped 0.4% in June. Business at motels was flat. *Data Source: BC Stats*

Health

- **Influenza vaccination rates in British Columbia increased 6 percentage points to 33% between 2003 and 2005.** One in four (23%) adults aged 18 to 64 received a flu vaccine in 2005. Vaccination rates were higher among the two groups considered to be at 'high-risk' to contract the flu. Nearly three quarters (72%) of those aged 65 or older were vaccinated, while 41% of those aged 12 to 64 who had one or more chronic conditions sought vaccination. This was lower than the targeted rate of 80% for high-risk individuals.

  Nationally, the vaccination rate grew by six percentage points to 34% between 2003 and 2005, and has more than doubled since 1996/97, when the rate was 15%. BC's rate has not increased quite as much over the longer term. It was slightly over the national average in 1996/97 (17%) but just under it (at 33%) in 2005.

  Flu vaccination rates in BC are among the highest in the country. Ontario (42%) and Nova Scotia (39%) were the only provinces where a higher percentage of the population aged 12 and over had a flu shot in 2005. The high rate observed in Ontario is primarily due to the introduction of a universal immunization program. The province with the lowest rate of vaccination was Newfoundland and Labrador at 22%. *Data Source: SC, Catalogue 82-003*

Employment Insurance

- **The number of Canadians who received regular benefits from Employment Insurance (EI) fell 10.3% between 2002 and 2006.** This decline was largely attributable to the recent drop in the number of unemployed workers rather than a shift in the number of people eligible to receive regular benefits. Two out of three (68%) unemployed workers in 2006 had contributed to EI in the past 12 months, and most (53%) of the unemployed were potentially eligible for regular benefits. *Data Source: Statistics Canada*

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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Earnings & Employment Trends Issue 07-08

Labour Market Characteristics of the Immigrant Population in B.C.

Since January 2006, Statistics Canada has been collecting data through the monthly Labour Force Survey (LFS) on the labour market status of immigrants[1] in Canada. We now have one full year of annual data covering immigrants living in BC and Canada. This paper presents highlights from that data.

The Immigrant Population in BC

According to the 2001 Census, more than one million immigrants were living in BC, and immigrants accounted for 26.1 percent of the total population. Among the provinces and territories BC had the second largest immigrant population – the vast majority of immigrants in BC live in the Vancouver Census Metropolitan Area. In the Vancouver CMA immigrants represented more than 37% of the population.

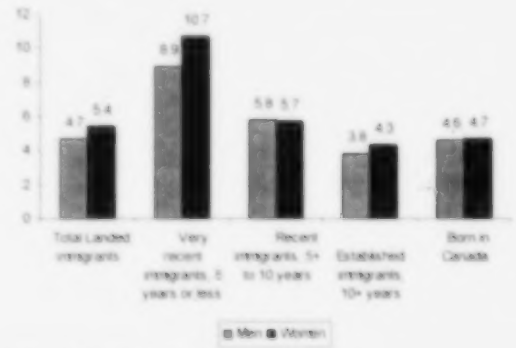
According to the 2006 LFS, immigrants accounted for 29 percent of BC population aged 15 and over. Out of the total population in BC, one in five (21%) were immigrants who had been in Canada for more than 10 years, while those landing in Canada between 5 and 10 years ago accounted for 5 percent of the BC population.

Employment and Labour Force Participation

In a time when the British Columbia labour market has been performing extremely well, with an average unemployment rate of 4.8 percent in 2006[2], very recent immigrants (5 years or less) had an unemployment rate of 9.7 percent – more than double the rate of Canadian-born British Columbians. Established immigrants (immigrants to Canada for more than 10 years) are finding work far more easily than very recent immigrants, with an incidence of unemployment of 4.0 percent, which is below the BC average.

While the unemployment rates for Canadian-born British Columbian men and women have been very similar in the last year (4.6 percent and 4.7 percent respectively), immigrant women appear to have more difficulty in finding work than immigrant men, with the exception of recent immigrant women (5 to 10 years) where the unemployment rate is very similar.

Immigrant women have higher unemployment rates than immigrant men

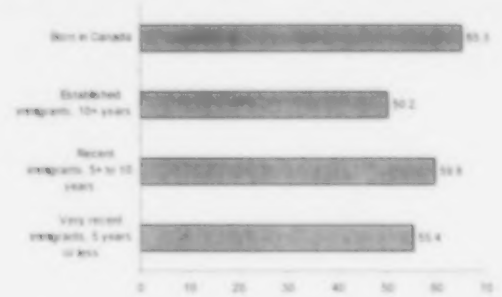


Source: Labour Force Survey 2006

[1] Immigrant population refers to people who were foreign born and have been permitted by immigration authorities to live in Canada permanently.
[2] Among the working aged population (15 plus).

Overall, men have higher labour force participation rates than women (70.4 and 61.0 respectively), this holds true for immigrants and Canadian-born British Columbians. However, immigrant women have much lower labour force participation rates than their Canadian-born counterparts.

The labour force participation rates of immigrant women aged 15 plus are less than Canadian-born British Columbians



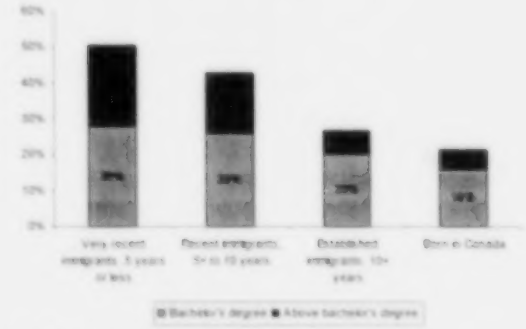
Source: Labour Force Survey 2006

Education

In 2006, 11 percent of British Columbians aged 25–54 did not have a high school diploma or a post-secondary credential. The proportion of the population without a high school diploma or a post-secondary credential is the same for immigrants and Canadian-born British Columbians.

On the other end of the spectrum, 25 percent of British Columbians had a university degree. On average, landed immigrants to BC are much more likely to have a university education. In 2006, very recent immigrants to BC were more than twice as likely as Canadian-born British Columbians to have a university degree—50 percent compared to 21 percent.

Immigrants much more likely to have a university education

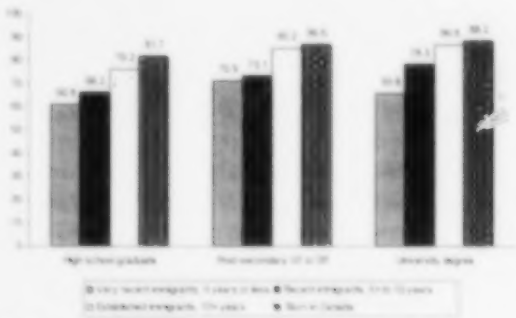


Source: Labour Force Survey 2006

In 2006, very recent immigrants (aged 25-54) experienced higher unemployment rates, regardless of their level of education. The unemployment rates for Canadian-born British Columbians decreased with education obtainment; however, for very recent immigrants unemployment rates remained unchanged. For example, very recent immigrants with a university education (bachelor's degree or higher) had an unemployment rate that was almost three times the unemployment rate of their Canadian-born counterparts—9.4 percent vs. 3.2 percent. On the positive side, established immigrants (10 years plus), with a university education had a lower unemployment rate than their Canadian-born counterparts—2.1 percent compared to 3.2 percent.

Regardless of education level, both very recent and recent immigrants had employment rates[1] lower than those for Canadian-born British Columbians. Very recent immigrants with a university degree experienced the largest gap (a 22.4 percentage point gap) between their employment rates compared to their Canadian-born counterparts.

The gap in employment rates between immigrants and Canadian-born British Columbians varies depending on education levels



Source: Labour Force Survey 2006

Youth

Young immigrant women age 15 to 24 experienced more problems in finding work than their Canadian-born counterparts. The unemployment rate for young women immigrants was 8.3 percent compared to 7.1 percent of their Canadian-born counterparts. Overall, young Canadian-born British Columbian women have higher labour force participation rates than their immigrant counterparts (70.8 and 61.0 respectively). On the other hand, young immigrant men had lower unemployment rates than their Canadian-born counterparts—7.6 percent compared to 9.4 percent.

Occupations and Industry

Overall, the distribution of total landed immigrants across occupational groups is remarkably similar to the distribution of Canadian-born workers. Landed immigrants are more likely to work in natural and applied sciences and related occupations and occupations unique to processing, manufacturing and utilities, and less likely to work in trades, transport and equipment operators and related occupations.

When considering only very recent immigrants, there does appear to be an entry effect in which immigrants are less likely to obtain employment in high-skilled occupations. For example, very recent immigrants are only half as likely as other immigrants or Canadian-born workers to obtain employment in management occupations. Very recent immigrants are also considerably less likely to work in business, finance, and administrative occupations, and are more likely to work in sales and services and occupations unique to processing, manufacturing and utilities.

The entry effects described above tend to disappear, but with varying amounts of time depending on the occupational group considered. For example, recent immigrants are equally as likely as Canadian-born workers to be employed in management occupations, but it is not until immigrants are established that they are equally as likely to be employed in health related occupations.

Although the overall distribution of landed immigrants across occupational groups appears quite similar to the distribution of Canadian-born workers, other factors (such as educational attainment) should also be considered when interpreting these findings.

[1] The employment rate (or the employment/population ratio) is the number of persons employed expressed as a percentage of the population 25-54)

Labour Force Survey Immigration Questions

1. In what country was…born?
2. Is…now, or has he/she ever been, a landed immigrant in Canada?
3. In what year did…first become a landed immigrant?
4. In what month? (asked only if landed in previous 5 years)
5. In what country did…complete his/her highest degree, certificate or diploma?

Definitions and concepts used by the Labour Force Survey

Immigrant type:

– Very recent immigrant: Very recent immigrants are individuals who have been landed immigrants to Canada for 5 years or less.

– Recent immigrant: Recent immigrants are individuals who have been landed immigrants to Canada between 5 and 10 years.

– Established immigrant: Established immigrants are individuals who have been landed immigrants to Canada more than 10 years.

– Other: Persons residing in Canada who were born outside of Canada and are not landed immigrants. Examples of people in this category include temporary foreign workers, live-in caregivers, Canadian citizens born outside Canada and those with student or working visas.

Source: The Canadian Immigrant Labour Market in 2006: First Results from Canada's Labour Force Survey, Catalogue no. 71-606-XIE2007001 ISSN: 1914-6299

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Email transmission information service from BC Stats

also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jul 1/07	% change on one year ago
BC	4,380.3	1.4
Canada	32,976.0	1.0
GDP and INCOME (Released Apr 25)		
(BC - at market prices)	2006	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	179,701	6.4
GDP *($ 1997 millions)*	150,741	3.6
GDP *($ 1997 per Capita)*	34,971	2.3
Personal Disposable Income *($ 1997 per Capita)*	21,984	4.8
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Jul	3,461	-0.5
Merchandise Exports - Jul	2,659	1.0
Retail Sales - Jul	4,734	0.0
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Aug 2007)	one year ago	% change
BC	1.3	1.7
Vancouver	1.7	2.2
Victoria	0.6	1.2
Canada	1.7	1.7
LABOUR FORCE (thousands)		
(seasonally adjusted)	Sep '07	% change on prev. month
Labour Force - BC	2,370	0.4
Employed - BC	2,267	0.0
Unemployed - BC	103	9.3
		Aug '07
Unemployment Rate - BC *(percent)*	4.3	4.0
Unemployment Rate - Canada *(percent)*	5.9	6.0
INTEREST RATES (percent)	Oct 3/07	Oct 4/06
Prime Business Rate	6.25	6.00
Conventional Mortgages - 1 year	7.05	6.40
- 5 year	7.19	6.60
US/CANADA EXCHANGE RATE	Oct 3/07	Oct 4/06
(avg. noon spot rate) Cdn $ per US $	0.9961	1.1287
(closing rate) US $ per Cdn $	1.0061	0.8876
AVERAGE WEEKLY WAGE RATE		
(industrial aggregate - dollars)	Sep '07	% change on one year ago
BC	754.74	3.4
Canada	766.03	4.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

BC High Technology Profile

The 2007 Edition of the high technology profile looks at the sector in BC through an examination of key indicators such as GDP, revenue, employment, wages and salaries, establishment counts and international trade. It also offers comparisons with other provinces and US states to give a picture of the relative size of BC's industry.

www.bcstats.gov.bc.ca/data/bus_stat/busind/hi_tech.asp

Environmental Statistics Portal

A new Environmental Statistics page with links to a variety of data and reports related to different environmental issues has been added to the site. The first issue of a new BC Stats periodical, "Environmental Statistics," can be accessed from this page. It is a reprint of an "Exports" article, with some additional data tables.

www.bcstats.gov.bc.ca/data/env/env_stat.asp

Regional Employment Projections

BC Stats, with the financial assistance of the Ministry of Advanced Education, developed the Regional Employment Projection Model (REPM), designed to project industrial and occupational employment in regions of the Province of British Columbia. The model projects employment at the Regional District level and then aggregates back up to the College Region for reporting purposes.

www.bcstats.gov.bc.ca/data/lss/repm.asp

Released this week by BC Stats

- Small Business Quarterly,2nd Quarter 2007
- Labour Force Statistics, September 2007
- Earnings & Employment Trends, Sept. 2007

Next week

- Tourism Sector Monitor, September 2007
- Exports, August 2007

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